Legislative Orientation



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A Timeline of Alabama's Budget Process

1. By November 1

A. Agencies submit their budget requests.

2. Between Legislative Sessions

A. By statute (Sections 29-2-80 through 29-2-83, Code of Alabama 1975), the Permanent Joint Legislative Committee on Finances and Budgets is required to meet to study the financial condition of the state, hold budget hearings, inquire into ways of financing state government and report its findings and recommendations to the Legislature by the seventh day of the Regular Session.

3. January – March*

A. The Governor's Budget Recommendation is presented to the Legislature.

4. January – June

- A. Budgets go through the same legislative process as any general bill
- B. Budget Isolation Resolution
- C. Conference Committee

5. Governor's Actions

- A. Sign
- B. Veto
- C. Line-item veto

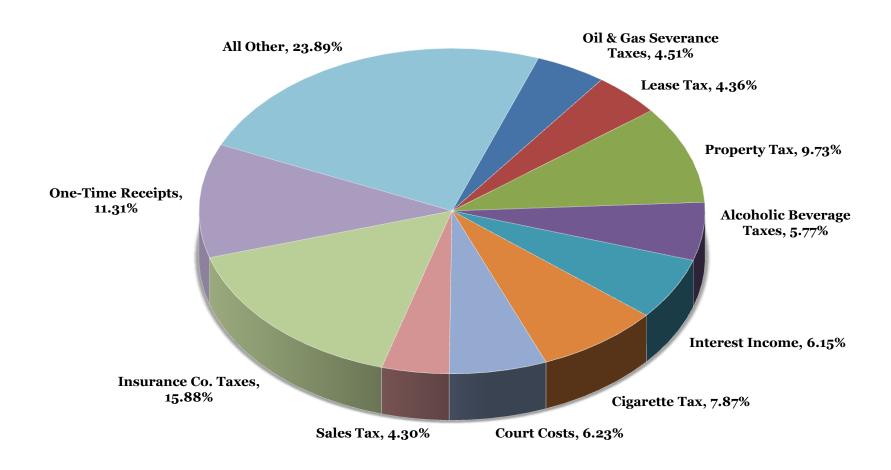
^{*}Pursuant to Section 29-1-4, the time for this submission depends upon the year of the quadrennium.

Exhibit 2

Appropriation of All State Funds FY 2011

	STATE GENERAL	% OF SGF	EDUCATION	% OF ETF			TOTAL STATE	% OF
	FUND	TOTAL	TRUST FUND	TOTAL	FUNDS (1)	TOTAL	FUNDS	TOTAL
CENTED AT A DEPO DENA TWO NA A CITY								
GENERAL APPROPRIATION ACTS:								
LEGISLATIVE BRANCH	49,731,780	3.16%	16,044,596	0.29%	150,000	0.01%	65,926,376	0.66%
JUDICIAL BRANCH	150,368,091	9.57%			45,900,865	1.59%	196,268,956	1.97%
EXECUTIVE BRANCH:								
ABC BOARD					84,272,266	2.92%	84,272,266	0.85%
AGRICULTURE & FORESTRY	35,835,440	2.28%			27,014,029	0.94%	62,849,469	0.63%
CONSERVATION	350,000	0.02%			97,220,930	3.37%	97,570,930	0.98%
CORRECTIONS	339,397,022	21.60%			40,887,549	1.42%	380,284,571	3.82%
HUMAN RESOURCES	97,545,917	6.21%	12,952,966	0.24%	154,752,611	5.36%	265,251,494	2.67%
MEDICAID	345,310,381	21.97%			717,605,164		1,062,915,545	10.68%
MENTAL HEALTH	98,010,860	6.24%	27,137,560	0.49%	213,482,350		338,630,770	3.40%
PUBLIC HEALTH	89,590,824	5.70%	14,539,333	0.26%	51,708,171	1.79%	155,838,328	1.57%
PUBLIC SAFETY	68,034,025	4.33%			52,851,000		120,885,025	1.21%
REVENUE	288,042	0.02%			132,347,516	4.59%	132,635,558	1.33%
TRANSPORTATION					463,078,261	16.05%	463,078,261	4.65%
YOUTH SERVICES	13,767,059	0.88%	49,915,142	0.91%	25,144,564	0.87%	88,826,765	0.89%
DEBT SERVICE	19,137,768	1.22%			53,956,717	1.87%	73,094,485	0.73%
NON-STATE APPROPRIATIONS	1,505,867	0.10%			870,600	0.03%	2,376,467	0.02%
OTHER APPROPRIATIONS	262,576,924	16.71%	113,823,614	2.07%	541,162,344	18.76%	917,562,882	9.22%
ETF APPROPRIATION ACTS:								
K - 12 FOUNDATION PROGRAM			3,803,323,176	69.20%	182,563,762	6.33%	3,985,886,938	40.05%
POSTSECONDARY EDUCATION			365,504,576	6.65%			365,504,576	3.67%
UNIVERSITIES (INCLUDING ACHE)			1,084,964,747	19.74%			1,084,964,747	10.90%
DEBT SERVICE			7,566,768	0.14%			7,566,768	0.08%
TOTALS (2)	1,571,450,000	100.00%	5,495,772,478	100.00%	2,884,968,699	100.00%	9,952,191,177	100.00%
Appropriations as of 9/30/2010.								
(1) Includes taxes, fees and charges collected by carry over; does not include bond proceeds, inte			and tobacco settleme	nt fund approp	riations as well as reve	rsions reappropria	ated and Medicaid	

Sources of Revenue to the State General Fund FY 2010



Sources of Revenue to the Education Trust Fund FY 2010

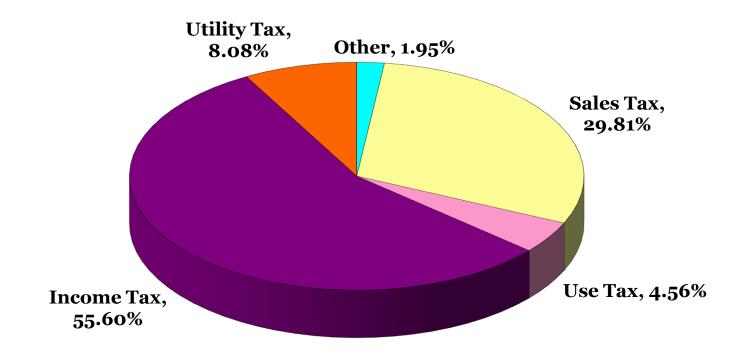
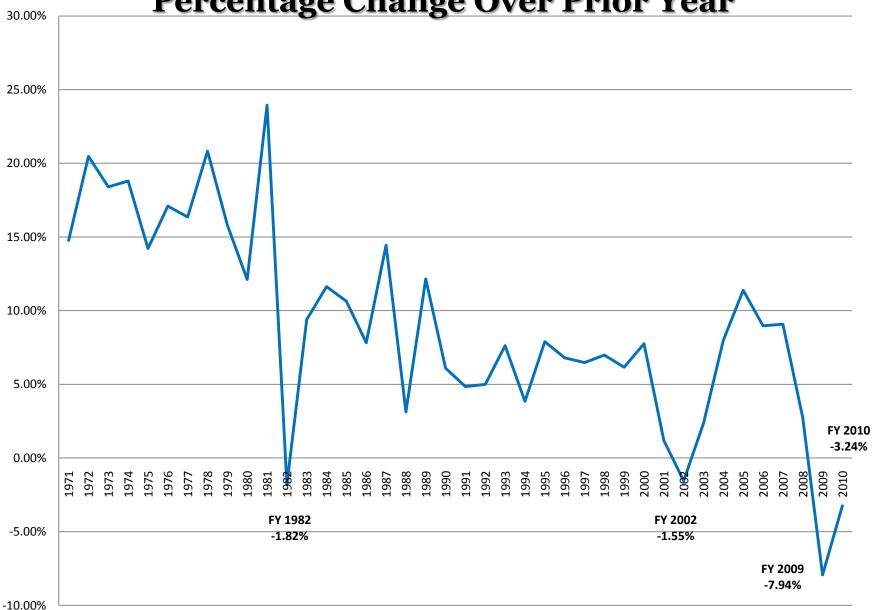
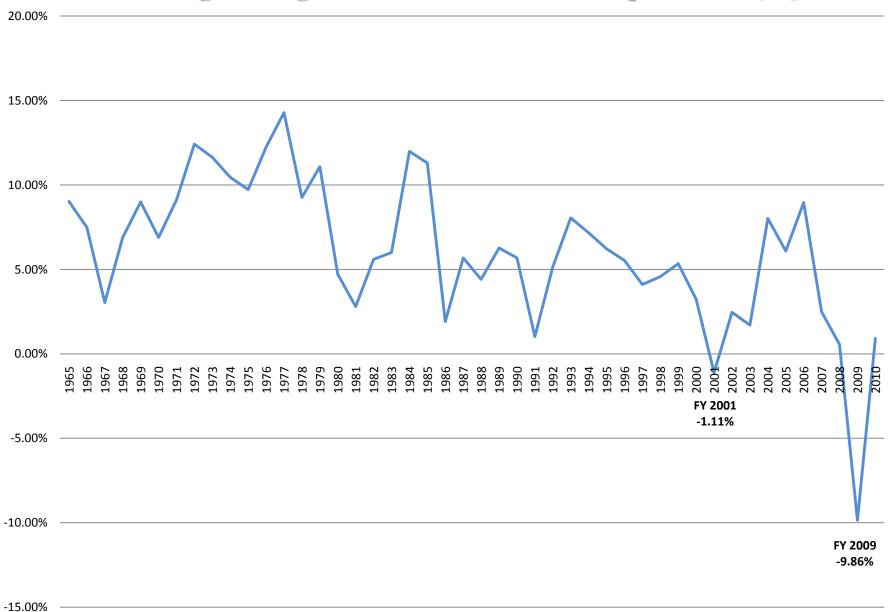


Exhibit 5

Income Tax Gross Receipts
Percentage Change Over Prior Year



Percentage Change in Sales Tax Gross Receipts Since 1965



Condition of the Education Trust Fund Actual Fiscal Years 2008 and 2009

	Actual FY 2008	Actual FY 2009	Difference
TOTAL BEGINNING BALANCE	280,045,027		
Receipts	5,975,258,156	5,241,600,057	
Transfer from Rainy Day Account/Proration Prevention Account	439,372,515		
TOTAL RECEIPTS	6,414,630,671	5,679,120,475	
TOTAL AVAILABLE (beginning balance plus total receipts)	6,694,675,698	5,679,120,475	
TOTAL EXPENDITURES AFTER REVERSIONS	6,694,675,698	5,679,120,475	-1,015,555,223
TOTAL LAI LINDITORLO AL TER REVERSIONO	0,034,013,030	J,013,120, 1 13	-1,010,000,220
ENDING BALANCE			

Condition of the Education Trust Fund Fiscal Year 2010 (Actual) and Fiscal Year 2011 (LFO Estimates) As of October 31, 2010

	FY 2010	FY 2011
BEGINNING BALANCE	0	11,773,101
TOTAL RECEIPTS	5,217,470,126	5,383,000,000
TOTAL FUNDS AVAILABLE	5,217,470,126	5,394,773,101
TOTAL APPROPRIATIONS AND OBLIGATIONS	5,205,697,025	5,520,368,351
ENDING BALANCE	11,773,101	-125,595,250

ARRA Funding in ETF: FY 2010 and FY 2011

Type	FY 2010	FY 2011	Total
SFSF	\$298.1M	\$298.1M	\$596.2M
Title I/IDEA Funds	\$203.6M	\$ 203.6M	\$407.2M
Total	\$501.7M	\$ 501.7M	\$1.0B

Education Jobs Funds In Alabama

Alabama received \$149.5 million from EJF

- Systems will receive \$3,079 per unit, based on FY 2011 units
- LEAs must use funds by September 30, 2012
- Funding must be used only for "compensation and benefits and other expenses" necessary to retain existing employees, to recall or rehire former employees, and to hire new employees

Condition of State General Fund Actual Fiscal Years 2008 and 2009

Actual	Actual		
FY 2008	FY 2009	Difference	
239,088,035	218,986,877		
4 044 040 000	4 000 574 050		
1,814,312,603	1,602,571,656		
2,053,400,638	1,821,558,533		
1,834,413,761	1,716,127,717	-118,286,044	
218,986,877	105,430,816		
d capital gains from t	he Alabama Trust F	und; \$85,750,235 fr	om
			iS
eceipts; \$4,746,080 t	from pharmaceutica	I settlement; and	
eutical settlements; \$4	137,500 from a court	t order for the 5th Ci	rcuit DA;
	FY 2008 239,088,035 1,814,312,603 2,053,400,638 1,834,413,761 218,986,877 d capital gains from totions asset sales; \$1,746,080 from the Incentives Fireman (Company) (FY 2008 239,088,035 218,986,877 1,814,312,603 1,602,571,656 2,053,400,638 1,821,558,533 1,834,413,761 1,716,127,717 218,986,877 105,430,816 d capital gains from the Alabama Trust Fections asset sales; \$19,000,000 transferreceipts; \$4,746,080 from pharmaceutical from the Incentives Financing Authority; \$1	FY 2008 FY 2009 Difference 239,088,035 218,986,877 1,814,312,603 1,602,571,656 2,053,400,638 1,821,558,533 1,834,413,761 1,716,127,717 -118,286,044

Condition of State General Fund Fiscal Year 2010 Actual and Fiscal Year 2011 (LFO Estimates) As of October 31, 2010

	FY 2010	FY 2011
TOTAL BEGINNING BALANCE (including Medicaid carryover)	140,309,219	94,694,152
TOTAL RECEIPTS ^{1,2}	1,428,088,535	1,455,854,288
TOTAL AVAILABLE (beginning balance plus total receipts)	1,568,397,754	1,550,548,440
TOTAL APPROPRIATIONS AND OBLIGATIONS	1,508,296,048	1,676,636,653
TOTAL ENDING BALANCE	60,101,706	-126,088,213
		-,,
1) FY 2010 receipts include \$161,565,874 transferred from the Rainy Day Account.		
2) FY 2011 estimated receipts include \$56,091,288 expected from unrealized capital gains in the Alaba	ma Trust Fund; and \$10,000,000 transferr	ed
from the Insurance Guaranty Fund.		

Effect of Federal Stimulus Funds and State Fiscal Stabilization Funds on State General Fund Expenditures

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011 reduction
Total State General Fund appropriations	1,834,413,761	1,716,127,717	1,473,417,645	1,672,266,338	
Federal stimulus funds used to replace SGF dollars					
Medicaid FMAP		290,734,130	322,653,180	193,995,226	
Other agencies with Medicaid FMAP		63,349,618	72,219,688	40,865,822	
Corrections - State Fiscal Stabilization Funds			118,586,000		
Departmental Emergency Fund - State Fiscal Stabilization Funds			14,100,000		
Total federal stimulus funds used		354,083,748	527,558,868	234,861,048	
Total SGF plus federal stimulus	1,834,413,761	2,070,211,465	2,000,976,513	1,907,127,386	-93,849,12 [°]

• Appropriations are as of November 1, 2010